

MOTION

To Approve DHCD's Financial Plan for Pleasant Street Renovations

WHEREAS, the Marlborough Community Development Authority (MCDA) and the Massachusetts Department of Housing and Community Development (DHCD) have been working together through the HILAPP grant program.

WHEREAS, both parties agree to the revised financial Pro Forma submitted by DHCD on August 1, 2018 in the amount of \$5,549,377.00.

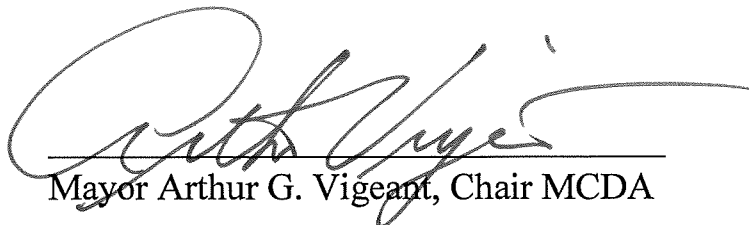
WHEREAS, this amount will not fund all the renovations required, most notably the exterior site work, and the interior renovations are currently critical.

WHEREAS, the agreed scope will cover kitchen and bath replacements, bath ventilation, electrical and fire alarm system upgrades, common floor replacement, entry door replacement, and two (2) accessible unit conversion with window replacement included as an alternate.

THEREFORE, be it resolved that the MCDA accepts DHCD's Financial Plan for Pleasant Street Renovations submitted on August 1, 2018 in the amount of \$5,549,377.00.



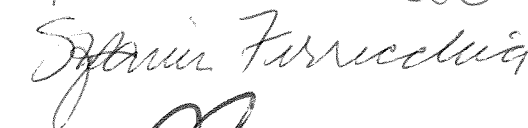
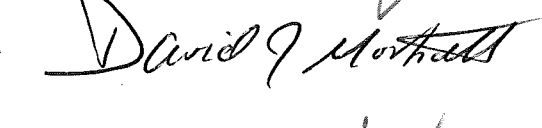
MCDA Board Members Present: 5 Absent 0


Approved: ✓ Rejected:


Mayor Arthur G. Vigeant, Chair MCDA

8/30, 2018
DATE

MCDA Board Members Signatures:

 Helen Perduca
 Paul Heeneey
 Stephen Farnicchia
 David J. Morrell


Douglas M. Bushman, Executive Director

8/30/18
DATE



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lieutenant Governor ♦ Janelle L. Chan, Undersecretary

August 1, 2018

Mayor Arthur G. Vigeant, Chair
Marlborough Community Development Authority
250 Main Street
Marlborough, MA 01752

RE: Revised HILAPP Award for Pleasant Street (667-1)

Dear Mayor Vigeant:

On March 29, 2016, DHCD issued an initial planning grant of \$200,000 to the Marlborough Community Development Authority (MCDA) to pursue the following project under the High Leverage Asset Preservation Program (HILAPP), with an expected HILAPP award of \$2,217,832 and total development cost (TDC) of \$2,883,182. Since that time, estimated construction costs have increased significantly, partially offset by the MCDA securing additional leveraged funds totaling \$1,320,850. DHCD is, therefore, issuing this revised award letter, **increasing the HILAPP commitment to \$3,391,082.**

FISH Project #:	170060
Development	Pleasant Street Elderly (667-01)
Scope of Work	Kitchen and bath replacements, bath ventilation, electrical and fire alarm system upgrades, common floor replacement, entry door replacement, and two accessible unit conversions

The anticipated sources and uses for the project scope are described below:

SOURCES:	
Local Match: Present value of 80% of projected net metering credit savings over 10 years, discounted at 4%	\$720,850
Local Match: Town Contribution	\$400,000
Local Match: Neighborhood Stabilization Program Funding	\$100,000
Local Match: MCDA Reserves	\$100,000
Formula Funding	\$231,132
Sustainability Award	\$18,000
Estimated Compliance Reserve Award: Asbestos Abatement	\$588,272
HILAPP Award:	\$3,391,082
Total Sources	\$5,549,377
USES:	

Construction Costs	\$4,664,377
Soft Costs	\$885,000
TOTAL USES (Total Development Cost):	\$5,549,377

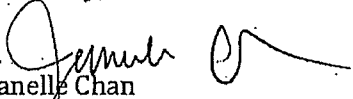
Once the project has produced a DHCD-approved cost estimate and bid set of plans and specifications, DHCD will authorize the project to be advertised for bid, subject to final estimates and DHCD funding availability.

If the final Total Development Costs (TDC) for the project exceed the amount of total available funds, the MCDA will need to cover the gap by either seeking additional leverage funds or expending its Formula Funding. Alternatively, the MCDA may choose to reduce the scope of the project.

If, on the other hand, the project ends up costing less than currently estimated, DHCD will take back any unspent portion of the HILAPP award.

Congratulations and thank you for your efforts to leverage funds to preserve public housing. If you have questions about this award please contact Ben Stone, Director of the Bureau of Housing Development and Construction, at 617-573-1176.

Sincerely,


Janelle Chan
Undersecretary

cc: Douglas Bushman, Executive Director

DHCD Proposed Final Budget for HILAPP

1	NPV contribution	\$ 720,850.00
2	MCDA contribution (Town)	\$ 400,000.00
3	Special Appropriation	\$ 100,000.00
4	MCDA Reserves	\$ 100,000.00
5	HILAPP award	\$ 3,391,082.00
6	CPS low flow toilets	\$ 18,000.00
7	Asbestos abatement	\$ 588,272.00
8	ADA Award (Community Room)	TBD
9	MCDA Formula Fund Contribution (50% of FF Admin Fee)	\$ 231,132.00
	Total Sources	\$ 5,549,377.00

1	Kitchens	\$ 567,525.00
2	Bathrooms	\$ 276,000.06
3	General Finish	\$ 750,204.42
4	Windows	WINDOWS AS ALTERNATE
5	Doors	\$ 325,500.00
6	Demolition	\$ 25,200.00
7	Plumbing	\$ 587,499.78
8	Fire Protection System	\$ 304,999.80
9	Heating System	\$ 124,999.98
10	Electrical System	\$ 847,747.74
11	Common Entry Halls & Stairs	\$ 430,665.95
12	3 Accessible Units	
13	Remodel Community Building	separate project (Accessibility award)
14	Site Improvements	\$ -
15	Contingency	\$ 424,034.27
	Total Hard Costs	\$ 4,664,377.00

1	Admin	\$ 150,000.00
2	A/E Service	\$ 310,000.00
3	Relocation	\$ 425,000.00
	Total Soft Costs	\$ 885,000.00

Total	\$ 5,549,377.00
--------------	------------------------

surplus (deficit) \$ (0.00)

TDC/Unit	\$ 132,128.02
HILAPP per Unit	\$ 80,740.05